

**APPLICATION FOR PERMIT
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA**

JUN 22 1988

Date of filing in State Engineer's Office.....

JUL 22 1988

Returned to applicant for correction.....

SEP 15 1988

Corrected application filed.....

SEP 15 1988

Map filed.....

The applicant..... Silver King Mines, Inc.

P.O. Box 324 of East Ely,
Street and No. or P.O. Box No. City or Town

Nevada 89315, hereby make..... application for permission to appropriate the public
State and Zip Code No.

waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a
copartnership or association, give names of members.)..... Nevada Corporation - 1962

1. The source of the proposed appropriation is..... Underground
Name of stream, lake, spring, underground or other source

2. The amount of water applied for is..... 1 second foot.....second-feet
One second-foot equals 448.83 gals. per min.

(a) If stored in reservoir give number of acre-feet.....

3. The water to be used for..... Mining/Milling/Domestic
Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.

4. If use is for:

(a) Irrigation, state number of acres to be irrigated.....

(b) Stockwater, state number and kinds of animals to be watered.....

(c) Other use (describe fully under "No. 12. Remarks")..... X

(d) Power:

(1) Horsepower developed.....

(2) Point of return of water to stream.....

5. The water is to be diverted from its source at the following point..... NW¼ of the SW¼ of Section 2 T-23-N,
Describe as being within a 40-acre subdivision of public

R-61-E, M.D.B.&M. The point of diversion is S 85 degrees 01' 00" E at a distance
survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.

of 27481 ft. from the NW corner Section 6 T-23-N, R-61-E, M.D.B.&M.

6. Place of use..... W¼ of the SW¼ of Section 2 and the E¼ of the SE¼ of Section 3, T-23-N,
Describe by legal subdivision. If on unsurveyed land, it should be so stated.

R-61-E, M.D.B.&M.

7. Use will begin about..... January 1.....and end about..... December 31....., of each year.
Month and Day Month and Day

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and
specifications of your diversion or storage works.)..... Water well-pumped to storage tank 8" diameter
State manner in which water is to be diverted, i.e. diversion structure, ditches and
well
flumes, drilled well with pump and motor, etc.

9. Estimated cost of works..... \$30,000

10. Estimated time required to construct works 3 months
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 3 months

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

The water will be used as process water for heap leaching at Silver Kings "Golden Butte" property. Mining and leaching to commence the summer of 1988. Full water recycling will be used as part of the process. Zero discharge is anticipated. Estimated usage is 480 GPM, 24 hours per day, 7 days per week throughout the year.

By s/ Rick Havenstrite
P.O. Box 324
East Ely, NV 89315

Compared pm/s.e. bp/se

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions: This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins or before the Proof of Completion of Work is filed.

This Permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 52258 and 52517 shall not exceed 56.01 million gallons annually.

The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.0 cubic feet per second, but not to exceed 56.01 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before May 2, 1991

Proof of completion of work shall be filed on or before June 2, 1991

Application of water to beneficial use shall be made on or before May 2, 1993

Proof of the application of water to beneficial use shall be filed on or before June 2, 1993

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed JUL 1 - 1991 IN TESTIMONY WHEREOF, I R. MICHAEL TURNIPSEED, P.E.

Proof of beneficial use filed _____ State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 2nd day of May

Cultural map filed _____

A.D. 19 90

Certificate No. _____ Issued _____

[Signature]
State Engineer